

**APPROVED MINUTES
TIMBER ADVISORY COMMITTEE
NOVEMBER 9, 2006 MEETING**

The meeting was called to order by David J. Gau, Chairman, at 1:30 p.m., Room 122, State Board of Equalization (BOE), 450 N Street, Sacramento, California, with the following in attendance. A quorum was present.

**TIMBER ADVISORY
COMMITTEE (TAC) MEMBER**

David J. Gau, Chair
Gerald D. Cochran, Vice-Chair/Secretary
Marsha Wharff
Cris Andrews
Mike Mallory
Roy H. Richards, Jr.
Marty Olhiser
Chris Zimny

REPRESENTING

BOE
Assessor, Del Norte County
Assessor/Recorder/Clerk, Mendocino County
Assessor/Recorder, Shasta County
Assessor, Siskiyou County
Small-Scale Timber Owners
Large-Scale Timber Owners
CA Dept. of Forestry and Fire Protection

OTHERS IN ATTENDANCE

Tom Hudson
Jim Herd (via telephone)
Linda Hill
John Davis
Chris Freeman
Steve Wiard
Dana Flanagan-McBeth
Mickie Stuckey
Benjamin Tang
Mitchell Cari
Larry Fogerson
Mike Doyich
Alicia Ynostroza
Dave McKillip

REPRESENTING

Board Member Bill Leonard's Office
Acting Board Member Betty Yee's Office
Assessor, Humboldt County
Green Diamond Resources Co.
PALCO
Sierra Pacific Industries
BOE, Legal Department
BOE, County Property Tax Division (CPTD)
BOE, CPTD, Timber Tax Section
BOE, CPTD, Timber Tax Section
BOE, CPTD, Timber Tax Section
BOE, CPTD, Timber Tax Section
BOE, CPTD, Timber Tax Section
BOE, Property and Special Taxes Department

Mr. Ramon J. Hirsig, Executive Director of the BOE, administered the oath of office as a member of the TAC to the Honorable Mike Mallory on November 9, 2006 prior to the meeting.

1. Approval of May 24, 2006 Meeting Minutes

Jerry Cochran moved to approve the minutes from the May 24, 2006 meeting; Marty Olhiser seconded the motion, which then passed without objection.

2. Harvest Value Discussion for Period January 1, 2007 – June 30, 2007

a. Tables G & S — Green and Salvage Values Schedules

Benjamin Tang gave an overview of general trends in the timber market. Marty Olhiser commented that he thought redwood values in TVA 2N were about \$25 to \$30 too high. Mitchell Cari responded that suggested values were within or below the range of sales for each of those categories. Mickie Stuckey presented ranges of computed values for selected species from several TVAs. Roy Richards, Jr., questioned the salvage values in TVA 6. Roy presented some new salvage sales that were not included in the analysis made by BOE as they were unavailable at that time. Chris Zimny made a motion to have BOE staff collect and analyze new salvage sales data in TVA 6; Cris Andrews seconded the motion, which then passed with Jerry Cochran abstaining and no further objections. Jerry Cochran moved to approve Tables G and S for January 1, 2007 through June 30, 2007, as presented, with the exception of TVA 6 on Table S; Marsha Wharff seconded the motion, which then passed with a vote of five to two, with Roy Richards and Marty Olhiser objecting.

b. Table M — Modified Timber Harvest Values

Benjamin Tang stated fires in TVA 8 that predicated the current modified values schedule have been harvested and that staff was no longer recommending a modified schedule for this event.

c. Table 1 — Miscellaneous Forest Products Harvest Values

Benjamin Tang provided a general overview of Table 1, Miscellaneous Harvest Values, and staff's suggested changes from the previous schedule. Marsha Wharff moved to approve the suggested values for Table 1; Mike Mallory seconded the motion, which then passed without objection.

3. Other Business

a. Fuel Hazard Reduction Costs

Benjamin Tang reported that he and Mitchell Cari of the BOE met with Chris Zimny, California Department of Forestry and Fire Protection (CDF) and that CDF will continue to review this item and contact the BOE when they have resolved some issues. Chris Zimny asked that this matter be left open for possible discussion at a future TAC meeting.

b. Small Sawlog Miscellaneous (SSM)

Benjamin Tang discussed the informational memo published by Roy Richards and informed the TAC that BOE staff developed an instructional example which was distributed to taxpayers with the third quarter tax returns. A copy of the item was provided to TAC meeting attendees.

c. Recognition of Retiring Members

David Gau made presentations to retiring TAC members Cris Andrews and Jerry Cochran.

d. Date for Next Meeting

The date for the next TAC meeting was tentatively set for April 24, 2007 at 9:00 a.m. (Since the TAC meeting, staff discovered that the Board is meeting that same date; therefore, a new tentative date has been set for April 26, 2007 at 9:00 a.m.)

4. New Business

Mickie Stuckey stated that the 2007 Timberland Production Zone values were scheduled for approval at the November 20, 2006 Board Administrative Consent Agenda.

5. Adjourn

David Gau adjourned the meeting at 2:30 p.m.